UNITED NATIONS

General Assembly

FORTY-EIGHTH SESSION

Official Records

FIFTH COMMITTEE
24th meeting
held on
Wednesday, 24 November 1993
at 10 a.m.
New York

SUMMARY RECORD OF THE 24th MEETING

Chairman: Mr. HADID (Algeria)

Chairman of the Advisory Committee on Administrative and Budgetary Questions: Mr. MSELLE

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Distr. GENERAL
A/C.5/48/SR.24
17 December 1993
ENGLISH
ORIGINAL: FRENCH

93-82684 (E)

The meeting was called to order at 10.30 a.m.

AGENDA ITEM 124: IMPROVING THE FINANCIAL SITUATION OF THE UNITED NATIONS (continued) (A/48/460 and Corr.1, A/48/503 and Add.1 and A/48/565 and Corr.1)

1. Mr. ZAINUDDIN (Malaysia) expressed disappointment that, as of 31 October 1993, only 67 Member States had paid their contributions in full, and cautioned that the huge unpaid contributions - $542 million to the regular budget and $1 billion for the peace-keeping operations - would prevent the United Nations from performing its tasks, especially in the area of peace-keeping. It was surprising that among the 59 Member States which had made no payment at all by that date, there were some that appeared to be in a real position to pay.

2. His delegation considered it unacceptable for a Member State to attach conditions to the fulfilment of its financial obligations to the Organization. Funding mechanisms should be established to protect the United Nations from any pressures brought to bear by major contributors.

3. Concerning the recommendations made by the Independent Advisory Group on United Nations Financing in document A/48/460, his delegation would like to see other options - which remained to be specified - in addition to the three current categories of financing United Nations expenditures, so that adequate, assured and neutral financing could be guaranteed. It doubted, however, that the payment of dues in four quarterly instalments would change the attitude of some delinquent Member States, and feared that countries which made their payments in full at the beginning of the year might choose to pay in instalments.

4. His delegation believed that the idea of charging interest on late payments should be studied. Before commenting, however, it would await the Secretary-General's proposals on possible systems of incentives, as requested in resolution 47/215. It fully supported the recommendation that the United Nations should not be given authority to borrow commercially; on the other hand, it was not convinced that raising the level of the Working Capital Fund would improve the Organization's cash flow. His delegation was opposed to a reduction of the statistical base period, which should continue to be set at 10 years.

5. With regard to the Peace-Keeping Reserve Fund, efforts should first be made to replenish the Fund before increasing it to $400 million. Also, more information from the Secretariat on the financial status of the Fund would be appreciated.

6. The proposal to establish a unified peace-keeping budget, while interesting in principle, seemed none the less rather impractical because of the unpredictability of peace-keeping operations. It deserved further careful examination.

7. Lastly, it must be underscored that the only way to resolve the cash flow problems of the United Nations was to ensure that Member States, and especially the major contributors, paid their assessed contributions in full and on time.

8. Mr. GRANT (United States of America) recognized that his Government's failure to pay all its assessed contributions damaged the ability of the United Nations to carry out its responsibilities. He recalled, however, that it expected to pay more than $1 billion to the budgets of the Organization in 1993, to say nothing of the hundreds of millions more it had paid in voluntary contributions. The United States was firmly committed to meeting current assessments and to paying arrears.

9. At the same time, the United States was resolved to promote actively the adoption of measures that would contribute to more effective and more productive management of United Nations resources. Along those lines, the establishment of an Office of Inspector General would in the long run produce cost-savings that would help keep the size of the Organization's overall budget in check. Establishing such an Office would send a strong signal to the taxpayers of Member States and their elected representatives that the United Nations was serious about rooting out waste and improving its effectiveness, and therefore deserved their financial support.

10. It was also critical to keep the regular budget at zero growth. If some activities needed more funds, those should be provided by redirecting resources from other, lower-priority activities.

11. His delegation believed that some parts of the Secretary-General's report (A/48/503) presented a misleading picture of the current financial situation of the Organization. In paragraph 7, for instance, the report stated that only 55.2 per cent of collections had been received by 30 September 1993, but that percentage had been calculated by measuring collections for the current year against amounts due for both 1993 and previous years. If the collections for 1993 were compared to the 1993 assessments, the figure would be 73.5 per cent of collections received by 30 September, and 95.5 per cent by 31 October. According to paragraph 8 of the Secretary-General's report, unpaid contributions to the regular budget totalled $784 million, of which 61 per cent related to 1993 and 39 per cent to prior years. The report stated that that amount of unpaid contributions covering several years was "the equivalent of 72 per cent of the regular budget assessment for 1993", when compared to the total assessments for 1993 alone ($1.07 billion). There again, that was misleading because it suggested that the Organization was short 72 per cent of the funds it needed to keep operating regular budget activities during 1993. Yet any Organization faced with a financial shortfall of that dimension would have to take drastic steps to cut back activities and programmes, which, to his knowledge, had not been the case at the United Nations. His delegation therefore urged the Controller to revise his methodology in future reports in order to present to Member States a more realistic view of the current state of affairs.

12. Referring to the report of the Independent Advisory Group on United Nations Financing (A/48/460), he agreed that the division of United Nations expenditures into three categories should be maintained. Regarding the regular budget, his delegation strongly supported the endorsement of the consensus approach to approval. It believed the idea of four quarterly instalment payments was worth consideration, although it cautioned that such a measure would have no effect on

(Mr. Grant, United States)

the timing of his Government's payments of its assessed contributions, which was based on its domestic budget cycle. His delegation opposed the recommendation that the United Nations should be given authority to charge interest on late payments, because some countries might be led to reduce their extrabudgetary contributions by the amount of the interest they were charged.

13. Like the Independent Advisory Group, his delegation thought that the United Nations should not be given authority to borrow. It did not, however, support the recommendation that the Working Capital Fund should be raised from $100 to $200 million. It supported the idea of replenishing reserves by depositing budgetary surpluses owed to Member States in arrears into the Working Capital Fund, so long as the share of the surplus for those Member States was deducted from their outstanding obligations. Lastly, his delegation favoured basing the regular budget assessment scale on a three-year statistical period.

14. As for the financing of peace-keeping operations, the time had come to review seriously the idea of a unified budget for those operations. His delegation also supported the recommendation authorizing the Secretary-General to obligate a portion - 20 per cent or more - to the estimated cost of a peace-keeping operation once the operation had been approved by the Security Council. It supported the recommendation to include in Group B the Member States whose per capita GNP was above average and which were currently members of Group C for calculating their contributions to peace-keeping operations. That recommendation should be moved forward as soon as possible.

15. Lastly, he said that administrative expenses for programmes funded by voluntary contributions should not be covered by assessments.

16. Mr. CARDENAS (Argentina) said that his delegation subscribed to the ideas on the United Nations financial crisis already expressed by the Rio Group, but that he wanted to make a few additional remarks.

17. It was essential for Member States to pay their assessed contributions on time and in full, for unless they did, the United Nations was doomed to endure an endless series of cash flow problems. It was also necessary to eliminate the practice whereby some States exerted indirect pressure on the Organization by linking payment of their contributions to their own interests. Moreover, methods of strengthening the current system of financing the Organization's activities, including improved auditing and budget control procedures, should be considered immediately. To that end, it would be useful to request help from experts from the International Monetary Fund and the World Bank, as already suggested by the Rio Group.

18. It would be wise to consider the possibility of charging interest on arrears without making the measure retroactive. Lastly, the United Nations urgently needed to settle its debts to Member States that had supplied troops or material resources for peace-keeping operations. The current situation in that area was unacceptable, and his delegation considered that the question should be accorded the highest priority.

19. Miss PEÑA (Mexico) said that defence of individual interests did not justify non-payment of contributions. Likewise, it had become less and less acceptable for countries to use domestic economic conditions as a pretext for not honouring their international commitments. Measures designed to improve the Organization's financial situation would hardly be effective if not matched by serious political will on the part of Member States.

20. Though it did not support the idea that the General Assembly should take decisions on the basis of documents which did not originate from intergovernmental mechanisms, her delegation did support some of the recommendations of the Independent Advisory Group on United Nations Financing (A/48/460) to the effect that the division of United Nations expenditures into three categories should continue, that assessed dues must be paid on time and in full, possibly in four quarterly instalments, that the practice of covering regular budget expenditures by borrowing funds from peace-keeping accounts must stop and that the Organization should not be given authority to borrow on the private market.

21. Her delegation did, however, have reservations about several recommendations. Decision-taking methods which were still in effect should not be changed in the name of the consensus principle. As for the possibility of charging interest on late payments, she recalled that follow-up to the General Assembly's request in paragraph 10 of resolution 47/215 on implementation of a system of incentives to encourage Member States to pay all their assessments in full and on time was needed. With regard to compatibility between the budget cycles of Member States and that of the United Nations, it was for each Member State to decide the way in which it would pay its contribution.

22. Raising the level of the Working Capital Fund might not be justified and the recommendation to that effect should be reviewed very carefully. Her delegation felt that the statistical base period should be 10 years, as stated in General Assembly resolution 46/221, and that, in any case, the question should not be reviewed separately from the overall method of calculating assessed contributions. The current method of funding administrative expenses for operational activities financed through voluntary contributions should be maintained, although it might be necessary to review ways to improve the funding mechanisms for those activities once restructuring of the economic and social sectors of the Secretariat had been completed. Lastly, it was not desirable for the United Nations, whose intergovernmental nature and financial independence must be safeguarded, to have recourse to private funding sources.

23. Mr. DIMOV (Bulgaria) said he regretted that reimbursements to troop-contributing countries had been delayed; a satisfactory solution to the problem had to be found as soon as possible if Member States, especially new Members, were to be encouraged to provide personnel and logistics in support of peace-keeping operations.

24. The report on financing the United Nations by the Independent Advisory Group on United Nations Financing (A/48/460, annex) and the Secretary-General's comments on that report, as well as the views on the subject expressed by Member

(Mr. Dimov, Bulgaria)

States, contained several interesting points. His delegation agreed that the precarious financial state of the Organization was essentially attributable to the failure of Member States to pay their assessed contributions in full and on time. Withholding payments for purely political reasons was unacceptable. However, although nothing could justify failure to pay contributions, the delay in payment was occasionally due not to lack of political will but rather to severe economic hardships or natural disasters.

25. Member States must ensure that the Organization was adequately financed in accordance with their collective responsibility, but if it was to meet effectively all the responsibilities entrusted to it, its financial mechanisms must also be strengthened. His delegation supported the suggestion of the Independent Advisory Group that the Working Capital Fund should be increased to $200 million and the Peace-keeping Reserve Fund to $400 million. At the same time, it realized that such a measure would not be sufficient to offset the huge deficit caused by late payment of contributions and that it would probably create additional financial obligations for Member States.

26. As for the idea of charging interest to penalize late payments, a suggestion which needed very careful consideration, it would be desirable for the Secretariat to provide some advance estimates of the effect of the implementation of such a measure in a larger context. For example, would the cash flow of the United Nations be improved by that measure?

27. The recommendation to set the statistical base period for calculating assessments of Member States at three years should be referred back to the Fifth Committee rather than to the Committee on Contributions, which had already expressed its view on the matter in its 1993 report.

28. His delegation supported the recommendation that the voluntarily funded agencies should have greater recourse to the system of negotiated pledges. However, it felt that the recommendation to the effect that Member States should be divided into different groups for the purpose of calculating assessed contributions for peace-keeping needed more thorough review.

29. Ms. IIYAMBO (Namibia) said that despite the amount of time that had been spent discussing the financial situation of the Organization in the past, the results had been disappointing. Her delegation was convinced that stringent measures needed to be taken to ensure a secure financial base for the Organization. The current difficulties were a result of the failure to pay assessments within the time stipulated by the financial regulations. Member States must not evade their obligations under the Charter, and no conditions whatsoever should be attached to fulfilling them. Despite the serious economic problems it was experiencing as a developing country, Namibia had paid all its contributions in full and on time.

30. Most of the recommendations in the report of the Independent Advisory Group on United Nations Financing (A/48/460, annex) were very useful. The only durable solution to the Organization's financial difficulties was for all Member States to pay their dues in full and on time; it was also important, however,

(Ms. Iiyambo, Namibia)

that the resources of the Organization should be effectively managed and utilized. The idea of allowing assessments to be paid in four quarterly instalments was an interesting one, provided that all quarterly payments were made in full and on time. Her delegation shared the concerns expressed by the Secretary-General on that point. Her delegation was open to discussing the recommendation that the United Nations should be given authority to charge interest on late payments.

31. It was disheartening to see that the Secretary-General had had to resort to internal borrowing to cover regular budget expenditures. Member States should not authorize the continuation of that practice, nor should they give the United Nations authority to borrow from outside sources.

32. On the question of increasing the Working Capital Fund to a level of $200 million, her delegation could not consider such an increment until considerable progress had been made in the payment of outstanding dues. The proposal to deposit budgetary surpluses owed to Member States with regular budget arrears in the Working Capital Fund needed further elaboration, as did the recommendation regarding the establishment of a unified peace-keeping budget.

33. Mr. BLUKIS (Latvia) said that efforts to collect assessments should be based on modern management principles and respond to certain practical considerations. Instead of asking for the impossible, namely, that dues should be paid on time and in full, it would be more realistic simply to adopt cost-efficient collection procedures that would result in a maximum fraction of contributions being collected; to begin with, an effort should be made to find out the actual reasons why Member States were in arrears. The effort required in order to pay varied greatly from State to State, and the smallest States were overrepresented among those that paid the highest fractions of their incomes. In addition, those States that had a good payment record had tax administrations with long experience; that was not always the case among new Members, whose legislation was sometimes only beginning to be developed or whose institutions had deteriorated under pressures caused by war, poverty or corruption.

34. It would be helpful to ask whether States had budgetary procedures in place that allowed payment of a bill within a given time period. It was also important to find out whether States were in favour of a unified peace-keeping budget and of allowing for payment to be made in a single annual assessment or in four quarterly instalments, the first three of which would be based on projected annual expenses. Systematic information on all matters affecting the payment records of Member States should be collected so that procedures could be developed that took into account the needs of the countries, including procedures for technical assistance in revenue collection and disbursement.

35. The measures envisaged should be examined by legal experts to ensure that they were in accordance with all texts currently in force, and in particular, with the principle of sovereign equality set forth in Article 2 of the Charter and not only with Article 19. In that regard, it should be determined whether

(Mr. Blukis, Latvia)

Article 19 could be interpreted as allowing debtor States to be barred from membership in United Nations organs, as proposed by some Member States, or affected only the right to vote, and whether it could be applied to subsidiary organs of the General Assembly and to organs other than the General Assembly.

36. Mr. KOULEBA (Ukraine) said that his delegation shared the concerns expressed by the great majority of delegations on the question of United Nations financing. The situation was particularly serious because 72 per cent of the assessments due under the regular budget had not yet been paid by the beginning of the fourth quarter. Nevertheless, it was clear from previous discussions that a serious effort must be made to reach consensus on how to remedy the situation. In the final analysis, as the Secretary-General had pointed out in his report (A/48/565), the only durable solution to the financial difficulties of the Organization was the full and prompt payment of their dues by all Member States. Despite its own very difficult economic situation, Ukraine had paid more than $7 million to the regular budget in 1993.

37. If the financial crisis was to be resolved, expenses must be distributed equitably among the Member States. The principle of capacity to pay must be fully applied not only during the establishment of the scale of contributions to the regular budget, but also in the establishment of the rate of assessment for peace-keeping operations. It was in that spirit that his delegation supported the Independent Advisory Group's eleventh recommendation, to the effect that the regular budget assessment rate should be based on a three-year period. It was also essential that standard criteria should be set for the composition of groups for purposes of determining assessments for peace-keeping operations. In that regard, the eighteenth recommendation of the Independent Advisory Group merited serious study. Unfortunately, in document A/48/565, the Secretary-General had not stated his views on either the eleventh or the eighteenth recommendation.

38. The Independent Advisory Group recommended that the United Nations should be authorized to charge interest on arrears of contributions. In order to penalize debtor States, several delegations had also proposed a stricter application of Article 19 of the Charter, the fixing of quotas for personnel on the basis of paid-up contributions or limiting the numbers of nominations such States could make for elections to United Nations organs. Attractive as such measures might seem, they would penalize more especially those States - of whom there were many - which had serious difficulties in paying their contributions because of economic reasons.

39. In his delegation's view, the payment of contributions in four quarterly instalments and increasing the resources of the Working Capital Fund and the Reserve Fund would not eliminate the factors which were the root of the Organization's financial difficulties. Furthermore, it could not agree that the United Nations should be given authority to borrow in the private sector, since that would involve increased expenditure and worsen the Organization's debt problem.

(Mr. Kouleba, Ukraine)

40. With regard to the financing of peace-keeping operations, his delegation stressed the special responsibilities of the members of the Security Council, particularly the permanent members. It also found the idea of establishing a single budget for peace-keeping operations interesting. It might be desirable to fix an indicative ceiling for such a budget.

41. Lastly, it should be noted that the Organization's sound financial health did not depend solely on the amount of resources at its disposal. It was also necessary for those resources to be used rationally and effectively. There were several possibilities for improvements in that direction. His delegation believed it was especially important to avoid overlapping and duplication, to eliminate obsolete or ineffective programmes, to rationalize guidelines for the procurement of goods and services, and to tighten budgetary controls.

AGENDA ITEM 123: PROPOSED PROGRAMME BUDGET FOR THE BIENNIUM 1994-1995 (A/48/6 (in fascicles), A/48/16 (Part I) and (Part II) and A/48/32/Rev.1/Add.1)

42. The CHAIRMAN invited the Secretary-General of the United Nations to introduce the proposed programme budget for the biennium 1994-1995.

43. The SECRETARY-GENERAL, explaining the key policy features of the proposed programme budget, the first to be prepared under his direction, emphasized that the budget proposals reflected the efforts of the United Nations to adapt to the new realities. Aware of the Organization's vast potential in the current international context, Member States were calling upon it in the most varied fields and entrusting to it ever heavier responsibilities. However, that expansion of the United Nations mission had not been accompanied by a commensurate increase in its financial resources; in order to respond to those increased responsibilities with the desired dynamism and flexibility, the United Nations had been obliged to pursue its efforts at restructuring and rationalization.

44. Generally speaking, the aim of the steps taken was to streamline the senior structure and ensure clear lines of responsibility, so as to permit more rigorous management and a more integrated approach. The streamlining of the senior structure of the Organization had resulted in a reduction in high-level posts of about 25 per cent. In the report on those posts (A/C.5/48/9), which was an integral part of the proposed budget, it was proposed, in the light of the views expressed by the Advisory Committee on Administrative and Budgetary Questions and by States Members, to deploy some of the remaining high-level posts to the areas where management needed to be strengthened. Despite the dramatic increase in United Nations activities, no request was being made for an increase in the number of high-level posts.

45. Although in recent years the overall level of the budget had remained almost constant in real terms, the proliferation of tasks and mandates made some real increase of resources essential. The proposed increase, which had not been provided for in the outline of the programme budget, was a modest one of some 1 per cent.

(The Secretary-General)

46. The budget proposals had been guided essentially by three broad policy objectives: enhancing the capacity of the Organization in the political and humanitarian areas, strengthening the role of the Organization in international economic and social cooperation, and increasing managerial responsibility and administrative efficiency.

47. In the political area, it was of the utmost importance that support for the General Assembly, the Security Council and the Secretary-General in carrying out their functions, particularly in regard to the resolution of disputes, should be of the highest quality. In order to provide greater coherence to the work of the Secretariat in that area, it was proposed to establish a unified Department headed by a single Under-Secretary-General, supported by two Assistant Secretaries-General, one of whom would be primarily responsible for African issues. Responsibility for the provision of Secretariat services for the Security Council and the General Assembly was to be transferred to the Department of Administration and Management, which would thus be responsible for all conference services.

48. In respect of peace-keeping, the role of the United Nations had moved far beyond its earliest mandates: increasingly, the "second generation" of peace-keeping operations included institution-building, monitoring elections, protecting human rights, delivering humanitarian aid and promoting economic reconstruction. In a short space of time, there had been a sixfold increase in the cost of those operations, but without a commensurate increase in the resources available in the Secretariat. The proposed strengthening of the Department of Peace-keeping Operations, including its senior management structure, was intended to enhance the capacity of Headquarters to supervise and direct such missions. In addition, to improve the quality of administrative and logistical support, the Field Operations Division had been incorporated in the Department. Furthermore, 24-hour liaison was currently maintained with all missions away from Headquarters.

49. At a time when the number and complexity of emergency situations was increasing throughout the world, it was essential for a unified structure to be put in place to enable the Organization to improve the coordination of humanitarian activities. That had been done through the establishment of the new Department of Humanitarian Affairs and the appointment of an Emergency Relief Coordinator. However, the capacities of the Organization in that connection needed to be further strengthened so that it could develop a global approach combining humanitarian diplomacy, early warning, disaster mitigation, preventive measures and the mobilization of resources.

50. Increasing importance was being attached to the promotion and enforcement of human rights, as witnessed by the impact of the World Conference on Human Rights, held at Vienna in June 1993. The importance of human rights had led to an increase in the demands on the Organization, in particular in the fields of democratization and institution-building. The Secretariat must be given the means to respond to those expanded mandates.

(The Secretary-General)

51. The promotion of economic and social progress was an important goal for the United Nations, given that, without sustainable and equitable development, there could be no true democracy or lasting peace. The purpose of restructuring the economic and social sector was to redress the fragmentation of the structures in that sector and achieving a better distribution of tasks between Headquarters and the other branches of the system. Three new departments had been created: the Department for Policy Coordination and Sustainable Development, the Department for Economic and Social Information and Policy Analysis and the Department for Development Support and Management Services. With respect to his proposal for the incorporation of the Office for Project Services (OPS) into the Department for Development Support and Management Services, a further report had been submitted, following the agreement reached by the OPS Management Board on all outstanding issues.

52. The United Nations Environment Programme (UNEP) and the United Nations Centre for Human Settlements (Habitat) had been placed under common executive direction. After reviewing the results of that arrangement, and in accordance with the wishes of Member States, he had proposed the establishment of an Assistant Secretary-General post as a senior manager for Habitat, in order to provide that body with the high-level management it deserved and help it to derive maximum programmatic and administrative advantage from the common direction.

53. In recent months, he had paid particular attention to improving the structure and functioning of the Department of Administration and Management, whose role was more crucial than ever. To achieve a more integrated and coordinated approach to all the interrelated management issues, he envisaged that the four existing Offices within the Department - which would remain separate administrative entities - would be headed by two Assistant Secretaries-General, one supervising budgetary and personnel activities and the other, Conference Services and General Services. The Under-Secretary-General for Administration and Management would continue to direct the entire Department.

54. The establishment of an Office of Inspections and Investigations - a first step towards the establishment of a broader internal oversight mechanism - should help to achieve greater efficiency and transparency in the use of resources. The resources for the Office would be obtained initially through the redeployment of an ASG post from the Department of Administration and Management and by the incorporation of the units dealing with audit, monitoring and evaluation. At the same time, through the Integrated Management Information System the Organization would have access to up-to-date and comprehensive information on its resources and their utilization.

55. The budget also reflected the clear priority which he attached to training. The increase proposed for training would enhance the quality of management and provide staff with operational skills needed for all kinds of new tasks, at Headquarters and in the field. That must be seen as a critical investment in the future of the Organization.

(The Secretary-General)

56. The proposed programme budget for the biennium 1994-1995 amounted to $2,749,064,000, which represented a net increase of $232.3 million over the appropriation for the current biennium; there had been a net addition of only 68 posts. Despite the exceptional constraints under which the budget proposals were being examined, he hoped that they would be approved by the end of 1993, in order for the Organization to enter the next biennium on a sound financial basis. However, a sound financial base also required prompt, full and unconditional payment of contributions by the Member States. To date, unpaid contributions to the regular budget amounted to $525 million. Only 71 Member States had paid their assessments in full, and 42 Member States had made no payment at all in 1993. Unpaid contributions to peace-keeping amounted to $1,175 million (including two assessments totalling $199 million issued in November). By the end of 1993, $400 million would be owed to troop-contributing countries.

57. Earlier that year, he had intervened personally, at the highest levels, to seek timely payments from Member States, without which the Organization would not have been able to discharge its numerous mandates. The question was primarily one of the political will of Member States.

58. Given the volume and complexity of United Nations operations, it was essential to seek measures to strengthen the financial base of the Organization. The report of the Independent Advisory Group on United Nations Financing contained valuable recommendations, which echoed comparable proposals submitted by the Secretariat on a number of previous occasions. He was in general agreement with the recommendations and had submitted his comments to the General Assembly, which he hoped would give that question the urgent attention it demanded.

59. New structures were in place. The task was to consolidate achievements and complete the reforms, which could not be done until the proposed budget for 1994-1995 was approved. Once those proposals had been approved, it might be possible to lift the freeze on recruitment and to offer longer-term contracts to senior staff whose service and experience were indispensable for the Organization.

60. In conclusion, he again appealed to the Committee to do everything in its power to see that the budget was adopted before the end of the Assembly's 1993 session.

61. The CHAIRMAN thanked the Secretary-General for his statement and assured him that the members of the Fifth Committee shared his concern to provide the Organization with the means of responding to the challenges - old and new - before it.

62. Mr. SREENIVASAN (Chairman, Committee for Programme and Coordination) introduced the report of the Committee on the proposed programme budget for the biennium 1994-1995, contained in part II of document A/48/16. The Committee had studied the proposed programme budget in an atmosphere of great uncertainty, owing in particular to the fact that it had not had before it all the necessary documentation. However, despite the difficulties, the Committee had thoroughly reviewed all aspects of the programmes, so that the budget proposals might be approved before the General Assembly ended its work for 1993, as the Secretary-General had urged. Discussion had taken place in a constructive spirit and the Committee, while it was aware that the restructuring under way would have implications for the budgetary process, had nevertheless been able to make a number of recommendations.

63. Referring to the general conclusions and recommendations on the proposed programme budget as a whole (paras. 31-43 of the report), he said that he would come back to the Committee's detailed recommendations when the Committee examined the programme budget chapter by chapter. Although the members had not always been able to reach a consensus, as indicated in the report, the Committee had made every effort to define the general trend of the discussion, in order to facilitate the Committee's review - and adoption - of the programme budget.

The meeting rose at 1.25 p.m.